

Form **1120S**Department of the Treasury
Internal Revenue Service**U.S. Income Tax Return for an S Corporation**

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.

Go to www.irs.gov/Form1120S for instructions and the latest information.

OMB No. 1545-0123

2017

For calendar year 2017 or tax year beginning , 2017, ending

A S election effective date 1/01/2015	TYPE OR PRINT Winchester Accounting and Consulting Inc 207 N. Cameron Street Winchester, VA 22601	D Employer identification number
B Business activity code number (see instrs) 541211		E Date incorporated 1/13/2015
C Check if Schedule M-3 attached <input type="checkbox"/>		F Total assets (see instructions) \$ 25,672.

G Is the corporation electing to be an S corporation beginning with this tax year? Yes ☐ No ☒ If 'Yes,' attach Form 2553 if not already filed**H** Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
(4) ☐ Amended return (5) ☐ S election termination or revocation**I** Enter the number of shareholders who were shareholders during any part of the tax year 1**Caution:** Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

INCOME	1 a Gross receipts or sales	1 a	275,134.	
	b Returns and allowances	1 b		
	c Balance. Subtract line 1b from line 1a	1 c	275,134.	
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3	275,134.	
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	4		
5 Other income (loss) (see instrs - att statement)		5	100.	
6 Total income (loss). Add lines 3 through 5		6	275,234.	
DEDUCTIONS SEE INSTRS	7 Compensation of officers (see instructions - attach Form 1125-E)	7	161,000.	
	8 Salaries and wages (less employment credits)	8	47,000.	
	9 Repairs and maintenance	9		
	10 Bad debts	10		
	11 Rents	11	18,700.	
	12 Taxes and licenses	12	17,644.	
	13 Interest	13	3,887.	
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14	28,180.	
	15 Depletion (Do not deduct oil and gas depletion.)	15		
	16 Advertising	16		
	17 Pension, profit-sharing, etc, plans	17	6,240.	
18 Employee benefit programs	18	3,290.		
19 Other deductions (attach statement)		19	37,656.	
20 Total deductions. Add lines 7 through 19		20	323,597.	
21 Ordinary business income (loss). Subtract line 20 from line 6		21	-48,363.	
TAX AND PAYMENTS	22 a Excess net passive income or LIFO recapture tax (see instructions)	22 a		
	b Tax from Schedule D (Form 1120S)	22 b		
	c Add lines 22a and 22b (see instructions for additional taxes)	22 c		
	23 a 2017 estimated tax payments and 2016 overpayment credited to 2017	23 a		
	b Tax deposited with Form 7004	23 b		
	c Credit for federal tax paid on fuels (attach Form 4136)	23 c		
	d Add lines 23a through 23c	23 d		
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	24		
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed	25	0.	
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	26		
27 Enter amount from line 26 Credited to 2018 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	27			

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer	Date	President	May the IRS discuss this return with the preparer shown below (see instructions)?
			<input type="checkbox"/> Yes <input type="checkbox"/> No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Self-Prepared			
Firm's name	Firm's EIN	Phone no.		
Firm's address				

BAA For Paperwork Reduction Act Notice, see separate instructions.

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Exhibit B

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Schedule B Other Information (see instructions)					Yes	No
1 Check accounting method: a <input checked="" type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____						
2 See the instructions and enter the: a Business activity <u>Professional Service</u> b Product or service... <u>Accounting Services</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of restricted stock						
(ii) Total shares of non-restricted stock						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of stock outstanding at the end of the tax year						
(ii) Total shares of stock outstanding if all instruments were executed						
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount. If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions). \$ _____						
9 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$ _____						
10 Does the corporation satisfy both of the following conditions? a The corporation's total receipts (see instructions) for the tax year were less than \$250,000 b The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1.						X
11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If "Yes," enter the amount of principal reduction \$ _____						X
12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.						X
13a Did the corporation make any payments in 2017 that would require it to file Form(s) 1099?					X	
b If "Yes," did the corporation file or will it file required Forms 1099?					X	

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Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	-48,363.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Interest income	4	
	5 Dividends: a Ordinary dividends	5a	
	b Qualified dividends	5b	
	6 Royalties	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a	
	b Collectibles (28%) gain (loss)	8b	
	c Unrecaptured section 1250 gain (attach statement)	8c	
	9 Net section 1231 gain (loss) (attach Form 4797)	9	
	10 Other income (loss) (see instructions) Type ▶	10	
	11 Section 179 deduction (attach Form 4562)	11	26,506.
Credits	12a Charitable contributions	12a	
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c (2)	
	d Other deductions (see instructions) Type ▶	12d	
	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c	
Foreign Transactions	d Other rental real estate credits (see instrs) Type ▶	13d	
	e Other rental credits (see instrs) Type ▶	13e	
	f Biofuel producer credit (attach Form 6478)	13f	
	g Other credits (see instructions) Type ▶	13g	
	14a Name of country or U.S. possession ▶		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	
	Foreign gross income sourced at corporate level		
	d Passive category	14d	
	e General category	14e	
	f Other (attach statement)	14f	
	Deductions allocated and apportioned at shareholder level		
	g Interest expense	14g	
	h Other	14h	
	Deductions allocated and apportioned at corporate level to foreign source income		
	i Passive category	14i	
	j General category	14j	
k Other (attach statement)	14k		
Other information			
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l		
m Reduction in taxes available for credit (attach statement)	14m		
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties — gross income	15d	
	e Oil, gas, and geothermal properties — deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	254.
	d Distributions (attach stmt if required) (see instrs)	16d	27,345.
	e Repayment of loans from shareholders	16e	

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Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14i	18	-74,869.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		65,087.		5,186.
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	7,023.		80,495.	
b	Less accumulated depreciation	7,023.		61,709.	18,786.
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
14	Other assets (attach stmt) See St. 3		1,700.		1,700.
15	Total assets		66,787.		25,672.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach stmt)				
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				61,353.
21	Other liabilities (attach statement)				
22	Capital stock				
23	Additional paid-in capital				
24	Retained earnings		66,787.		-35,681.
25	Adjustments to shareholders' equity (att stmt)				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity		66,787.		25,672.

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Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books	-75,123.	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest	\$
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12, and 14i (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14i, not charged against book income this year (itemize):	
a	Depreciation	\$	a	Depreciation	\$
b	Travel and entertainment	\$ 254.	7	Add lines 5 and 6	0.
4	Add lines 1 through 3	-74,869.	8	Income (loss) (Schedule K, ln 18). Ln 4 less ln 7	-74,869.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year	66,787.		
2 Ordinary income from page 1, line 21			
3 Other additions			
4 Loss from page 1, line 21	(48,363.)		
5 Other reductions See Statement 4	(26,760.)		
6 Combine lines 1 through 5	-8,336.		
7 Distributions other than dividend distributions	27,345.		
8 Balance at end of tax year. Subtract line 7 from line 6	-35,681.		

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Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

OMB No. 1545-0172

2017Attachment
Sequence No. **179**

Name(s) shown on return

Winchester Accounting and Consulting Inc

Business or activity to which this form relates

Identifying number

Form **1120S****Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	510,000.
2	Total cost of section 179 property placed in service (see instructions)	2	73,472.
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,030,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0.
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.	5	510,000.
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
See Statement 5			1,506.
7	Listed property. Enter the amount from line 29	7	25,000.
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	26,506.
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	26,506.
10	Carryover of disallowed deduction from line 13 of your 2016 Form 4562	10	0.
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs.)	11	112,637.
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	26,506.
13	Carryover of disallowed deduction to 2018. Add lines 9 and 10, less line 12	13	0.

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2017	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B — Assets Placed in Service During 2017 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	
				MM	S/L	

Section C — Assets Placed in Service During 2017 Tax Year Using the Alternative Depreciation System

(a) Class life	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	28,180.
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	28,180.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

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Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

24a Do you have evidence to support the business/investment use claimed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No						24b If 'Yes,' is the evidence written? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost	
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions).....							25	23,483.	
26 Property used more than 50% in a qualified business use:									
2017 Ford F-	2/03/17	100.0	71,966.	23,483.	5.0	200DB HY	4,697.	25,000.	
27 Property used 50% or less in a qualified business use:									
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.....							28	28,180.	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.....							29	25,000.	

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (don't include commuting miles).....												
31 Total commuting miles driven during the year.....												
32 Total other personal (noncommuting) miles driven.....												
33 Total miles driven during the year. Add lines 30 through 32.....												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?.....												
35 Was the vehicle used primarily by a more than 5% owner or related person?.....												
36 Is another vehicle available for personal use?.....												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?.....	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners.....		
39 Do you treat all use of vehicles by employees as personal use?.....		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?.....		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)..... Note: If your answer to 37, 38, 39, 40, or 41 is 'Yes,' don't complete Section B for the covered vehicles.		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2017 tax year (see instructions):					
43 Amortization of costs that began before your 2017 tax year.....					
44 Total. Add amounts in column (f). See the instructions for where to report.....					44

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Statement 1
Form 1120S, Line 5
Other Income

Miscellaneous Income.....		\$	100.
	Total	\$	<u>100.</u>

Statement 2
Form 1120S, Line 19
Other Deductions

Auto and Truck Expense.....	\$	4,043.
Computer Expenses.....		343.
Credit Card Fees.....		308.
Dues and Subscriptions.....		820.
Insurance.....		2,822.
Internet Expense.....		2,079.
Legal and Professional.....		14,937.
Meals and Entertainment Expense.....		255.
Office Expense.....		1,735.
Parking and Tolls.....		1,300.
Payroll Service Fees.....		65.
Postage.....		661.
Shredding.....		165.
Software.....		7,590.
Telephone.....		533.
	Total	\$ <u>37,656.</u>

Statement 3
Form 1120S, Schedule L, Line 14
Other Assets

		<u>Beginning</u>	<u>Ending</u>
Security Deposits.....	\$	1,700.	\$ 1,700.
	Total	\$ <u>1,700.</u>	\$ <u>1,700.</u>

Statement 4
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Disallowed Meals and Entertainment.....	\$	254.
Section 179 Expense.....		26,506.
	Total	\$ <u>26,760.</u>

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Statement 5
Form 4562, Part I
Election To Expense Certain Tangible Property (Section 179)

Description of Property	Cost	Elected Cost
5-Year Computer (ASRock H170).....	458.	\$ 458.
5-Year Acer Monitor S241.....	120.	120.
5-Year Computer (Gigabyte Brix).....	533.	533.
5-Year Acer Monitor S241.....	126.	126.
5-Year Acer Monitor S241.....	126.	126.
5-Year Acer Monitor S241.....	143.	143.
Total	\$	<u>1,506.</u>